



Request for City Council Committee Action from the Department of Public Works

Date: March 18, 2014

To: Honorable Kevin Reich, Chair Transportation & Public Works Committee

Referral To: Honorable John Quincy, Chair Ways & Means Committee

Subject: **Project Approval and Assessment Public Hearing for Penn Ave S Phase 2 (100 feet north of 54th St W to 50th St W) Reconstruction Project No 6748, CPV069; Areaway Abandonment Public Hearing**

Recommendation:

- A. Pass a Resolution ordering the City Engineer to proceed and do the work and adopt special assessments in the amount of \$333,309.93 for the Penn Avenue Phase 2 Street Reconstruction.
- B. Pass a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$333,310 for the Penn Ave Phase 2 Street Reconstruction Project with the bonds to be paid from special assessments.
- C. Pass a Resolution ordering the City Engineer to install parking restrictions on Penn Ave S between 100 feet north of 54th St W and 50th St W per the City Council approved layout to meet State Aid Rule 8820.
- D. Pass a Resolution ordering the City Engineer to abandon and remove the areaways located in the public right-of-way that are in conflict with the Penn Ave S Phase 2 Reconstruction Project.

These Resolutions may be authorized for summary publication.

Previous Directives:

- January 23, 2014- City Council Resolution 2014R-013, Project Designation- Reconstruction Penn Ave Phase 2
- January 23, 2014- Set Public Hearing for the abandonment and removal of areaways in conflict with the project (Phase 2)
- February 8, 2013- City Council Resolution 2013R-053, Order for work to proceed and adopt special assessments (Phase 1)
- February 8, 2013- City Council Resolution 2013R-054, Requesting the Board of Estimate and Taxation to issue and sell bonds (Phase 1)
- February 8, 2013- City Council Resolution 2013R-055, Direct City Engineer to establish no parking restrictions (Phase 1)
- February 8, 2013- City Council Resolution 2013R-056, Order for abandonment and removal of areaways in conflict of the project (Phase 1)

- February 8, 2013- Denial of the assessments associated with the Penn Ave S street lighting project (Phase 1)
- November 16, 2012- City Council Resolution 2012R-608, Project Designation- Reconstruction (Phase 1)
- November 16, 2012- City Council Resolution 2012R-609, Project Designation- Street Lighting (Phase 1)
- November 16, 2012- Set Public Hearing for the abandonment and removal of areaways in conflict with the project (Phase 1)
- April 13, 2012 – Council Adoption of the T&PW Committee report approving the layout for Penn Ave S (MN-62 to 50th St W)

Department Information:

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 Beverly Warmka, P.E., Project Engineer, TP&E, 673-3762
 Don Elwood, P.E., Director, Transportation Planning & Engineering, 673-3622

Approved by: _____

Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Beverly Warmka, Project Engineer, TP&E

Financial Impact

- Special Assessments to Benefitted Properties

Community Impact

- Neighborhood Notification: Public meetings were held January 10 and March 6, 2012 to solicit input on the project design. A pre-assessment public meeting was held March 10, 2014 to address questions regarding assessments.
- City Goals: The City's infrastructure will be well-maintained, streets will be destinations.
- Comprehensive Plan: Consistent
- Zoning Code: Not Applicable

Supporting Information

Scope

The proposed project consists of reconstructing Penn Avenue S between 100 feet north of 54th Street W and 50th Street West. Penn Avenue S at this location is a Municipal State Aid Roadway (MSA 426). The project will include full removal of the existing road and the replacement of the pavement, curb and gutter, storm drain, lighting, signing, striping and related items and work.

The proposed project is scheduled for construction in 2014.

Schedule and Funding

The project is planned to be constructed in the 2014 construction season. The project cost estimate is \$5,100,000.

The City of Minneapolis 2014 Adopted Budget appropriated funding for the project including:

- \$1,515,000 in Net Debt Bonds;
- \$1,430,000 in Municipal State Aid;
- \$845,000 in special assessment bonds; (this will be adjusted to match the actual assessment amount)
- \$265,000 in stormwater revenue

This is the second phase of the Penn Ave South reconstruction project. Funding was appropriated in the 2013 Adopted Budget for the Phase 1 portion of the project. Funding remaining from the Phase 1 portion of the project will also be used for the Phase 2 segment.

Street Reconstruction Project Assessments

The proposed street reconstruction special assessments were determined by applying the 2014 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The 2014 reconstruction assessment rates are as follows:

\$2.39/sq ft – Non-Residential

\$0.80/sq ft - Residential

The proposed total assessment amount for the Penn Ave South Phase 2 Reconstruction Project is \$333,309.93. Assessments of more than \$150 are to be collected in 20 annual principal installments on the real estate tax statements beginning in 2015 with interest charged at the same rate as the City pays in interest for selling assessment bonds. Assessments of \$150 or less are to be collected in their entirety on the 2015 real estate tax statements with interest charged at the same rate as the City pays in interest for selling assessment bonds.

Information has been provided in the notices as to how persons may prepay the special assessments in full without interest if they so choose.

State Aid Required Parking Restrictions

Penn Avenue Reconstruction Project includes new pavement, curb and gutter, driveways, parking lanes, storm drains, and traffic signal modifications. The completed roadway will include one travel lane in both the northbound and southbound directions. The existing roadway in Phase 2 has parking lanes on both sides of the roadway. The proposed roadway has parking on the easterly side between the limits of:

- 54th St W and 51st St W
- Both sides of the roadway between the limits of 50th and 51st St W
- From 120 feet south of Cromwell Dr to 54th St W.

Prohibiting curbside parking on the westerly side of Penn Avenue S is necessary to meet Municipal State Aid requirements without widening the roadway which would result in the removal of trees along the corridor.

Accordingly, we recommend the following:

ESTABLISH:

No Parking Anytime

Westerly side of Penn Ave S beginning at the southerly curb line of 51st St W and extending to 120 feet south of the southerly curb line of Cromwell Dr.

Abandonment and Removal of Conflicting Areaways

Section 95.90 of the Minneapolis Code of Ordinances provides a procedure for dealing with areaway encroachments that would interfere with public improvements being made in the public right-of-way such as street construction. Before the City may abandon and remove conflicting areaways (upon the failure of the abutting property owner to resolve or agree to resolve the conflict) and then later assess the costs, a public hearing must be held. It is our recommendation that this areaway public hearing be held in conjunction with the Penn Avenue S Project. Prior to the areaway public hearing notices being given, the City Engineer will have provided the initial notice required in Section 95.90 of the Minneapolis Code of Ordinances.

Attachment 1 – Project Map

Cc: CM Palmisano, Ward 13

Jack Qvale, Secretary, Board of Estimate and Taxation

ATTACHMENT 1

PROJECT MAP



- 2013 Construction
- 2014 Construction



Reich and Quincy

T&PW and W&M/Budget – Your Committees recommend passage and summary publication of the accompanying Resolutions:

1. Ordering the work to proceed and adopting the special assessments for the Penn Ave S Phase 2 Reconstruction Project, Special Improvement of Existing Street No 6748.
2. Requesting the Board of Estimate and Taxation to issue and sell assessment bonds for the purpose of paying the assessed cost of street improvements in the Penn Ave Phase 2 Reconstruction Project.

Reich

**Penn Ave S Phase 2 Reconstruction Project, Special Improvement of Existing
Street No 6748**

**Ordering the work to proceed and adopting the special assessments for the
Penn Ave S Phase 2 Reconstruction Project**

Whereas, a public hearing was held on March 18, 2014 in accordance with Chapter 10, Section 8 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinances to consider the proposed improvements as designated in Resolution 2014R- 13 passed January 23, 2014, to consider the proposed special assessments as on file in the office of the City Clerk and to consider all written and oral objections and statements regarding the proposed improvements and the proposed special assessments;

Now, Therefore, Be It Resolved by the City Council of the City of Minneapolis:

That the City Engineer is hereby ordered to proceed and do the work as designated in said Resolution 2014R- XX passed March 28, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$333,309.93 as on file in the office of the City Clerk be and hereby are adopted and assessed against the benefited properties.

Be It Further Resolved that the number of successive equal annual principal installments by which the special assessments of more than \$150 may be paid shall be fixed at twenty (20) and that the interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to begin on the 2015 real estate tax statements.

Be It Further Resolved that the number of installments by which the special assessment of \$150 or less may be paid shall be fixed at one (1) and that interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to begin on the 2015 real estate tax statements.

Reich and Quincy

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$333,310 for certain purposes other than the purchase of public utilities.

Resolved by the City Council of the City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Penn Ave S Phase 2 Reconstruction Project, Special Improvement of Existing Street No 6748, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collectible in twenty (20) successive annual installments, payable in the same manner as real estate taxes.

Reich

Resolution 2014R-XX, directing the City Engineer to establish no parking restrictions on Penn Avenue at specific locations between the limits of 54th St W and 50th St W.

Whereas, the City of Minneapolis wishes to reconstruct Penn Avenue between the limits of 100 feet north of 54th St W and 50th St W; and

Whereas, Minnesota Department of Transportation (MnDOT) State Aid Rule 8820 requires parking provisions to meet the existing average daily traffic and peak hour traffic volumes and a minimum number of driving lanes, lane widths, and parking widths; and

Whereas, to meet State Aid Rule 8820, the City recommends establishing No Parking Anytime at the following location:

- Westerly side of Penn Ave S beginning at the southerly curb line of 51st St W and thence extending 120 feet southerly of the southerly curb line of Cromwell Dr

Whereas, State Aid Rules require a certified resolution documenting the requested action;

Now, Therefore, Be It Resolved by the City Council of the City of Minneapolis:

That the City Engineer is hereby directed to install the above-mentioned parking restrictions and to submit this resolution to the Commissioner of Transportation to meet State Aid Rule 8820.

T&PW – Your Committee recommends passage and summary publication of the accompanying Resolution ordering the City Engineer to abandon and remove the areaways located in the public street r/w that are in conflict with the street reconstruction in the Penn Ave S Phase 2 project area.

Reich

Ordering the City Engineer to abandon and remove the areaways located in the public street r/w that are in conflict with the street reconstruction projects in the Penn Ave S Phase 2 project area.

Whereas, the City of Minneapolis has scheduled the reconstruction and street lighting improvements starting in 2014 in the Penn Av S area of Minneapolis; and

Whereas, there are areaways located in the public street r/w that are in conflict with said reconstruction; and

Whereas, a public hearing was held on March 18, 2014 in accordance with Chapter 10, Section 8 of the Minneapolis City Charter and Sections 24.180 and 95.90 of the Minneapolis Code of Ordinances to consider the proposed abandonment and removal of the above mentioned areaways and to consider all written and oral objections and statements regarding the proposed areaway abandonment and removal;

Now Therefore, Be It Resolved by the City Council of the City of Minneapolis;

That the City Engineer is hereby ordered and directed to abandon and remove the conflicting areaways located in the public street r/w adjoining the properties along both sides of Penn Ave S from 100 feet north of 54th St W to 50th St W.